



Ms. Laudeman called the Joint Quarterly Performance Meeting of the General Employees' Pension Advisory Committee, Police and Firefighters' Pension Boards to order at 8:23 am on Thursday, June 4, 2015, in the Harvard Conference Room, 9th floor, City Hall, Orlando. All three Pension Boards had quorums.

PAC Members

Rebecca W. Sutton, Chairman (Absent)
Todd Berube, S.E.I.U. Representative
Steve Brown, L.I.U.N.A. Representative (Absent)
Jay Carr, Police Department
Gustavo Castro, Economic Development
Gerald Poke, L.I.U.N.A. Representative (Absent)
David Rafanowicz, Executive Offices
Charles Ramdatt, Public Works (8:43 am)
Michael Rhodes, Economic Development (9:04 am)
Rick Suggs, S.E.I.U. Representative (Absent)
Tamara Wilson, Fire Department

Police Pension Board Members

Jay Smith, Vice-Chair
Laurie Botts, Trustee
Antonio Blanca, Trustee
William Long, Chairman (Absent)
Jose Vicente, Secretary (Absent)

Others Present

Katrina Laudeman, Treasurer and
Executive Director Fire & Police Pension
Boards
Kevin Leonard, NEPC
Keith Stronkowsky, NEPC
Dionna Little, Asst. City Attorney II
Michele V. Keane, Pension Coordinator
(Jet) J.E. Taylor, III, The Carlyle Group
Margaret McKnight, The Carlyle Group

Firefighters' Pension Board Members

Ron Glass, Chairman
Edward Torres, Vice-Chair
Kevin Edmonds, Trustee
Mario Garcia, Trustee
Doug Zabin, Secretary (Absent)

1. PUBLIC COMMENT

Ms. Laudeman asked if there was anyone who wished to speak on an agenda item. There was no response.

2. MARKET UPDATE

Mr. Stronkowsky gave an update on the market overview for the first quarter of 2015. He stated that US stocks and government bonds continued to perform well and hedge funds outperformed most major indices in the first quarter. The three funds have not had a negative quarter for the past two years.

3. **PERFORMANCE UPDATE**

Mr. Leonard reviewed the performance of our money managers. The General Employees' Pension Fund returned 1.9% for the first quarter and 4.5% for the fiscal year-to-date. The one year return is 7.1% versus the policy index of 7.5% and the five year return is 9.6% outperforming the policy index of 8.8%.

The Firefighters' Pension Fund performed the best of all three funds and returned 2.0% for the first quarter. The Police Pension Fund returned 1.8% for the first quarter. Fiscal year-to-date the Firefighters' and Police Pension Funds returned 4.8% and 4.5% respectively. Mr. Leonard added that over the past five years, all three Pension Funds have outperformed their assumed rates of return.

4. **METROPOLITAN REAL ESTATE PRESENTATION**

Mr. Leonard introduced Mr. (Jet) J.E. Taylor and Ms. Margaret McKnight of Metropolitan Real Estate which has been the Non-Core Private Real Estate money manager for all three Pension Funds since 2010. Mr. Taylor stated that Metropolitan has been purchased by The Carlyle Group. He added that they will remain independent in their investment decisions but will have access to all of Carlyle's resources. Ms. McKnight stated that the portfolio is doing well and there are no present areas of concern. The presentation concluded at 9:45 AM at which time Mr. Taylor and Ms. McKnight left the meeting. A short break was taken.

Meeting resumed at 9:55 AM.

5. **METROPOLITAN REAL ESTATE DISCUSSION**

Mr. Leonard stated he thought the presentation went well however he remains concerned about the delay in the deployment of capital. He noted that one of the risks of investing in a fund of fund is that there is not any direct control over when the capital is called. Mr. Leonard added that despite the fact it is taking longer than anticipated to receive a return on our money, it may still work to our advantage as opportunities can still be found in Europe due to the start of their economic recovery.

6. **GENERAL EMPLOYEES' PENSION ADVISORY COMMITTEE - APPROVAL OF MINUTES- APRIL 28, 2015**

A MOTION TO APPROVE THE MINUTES FROM MARCH 27, 2014 was made by Mr. Berube and seconded by Mr. Carr; **MOTION CARRIED UNANIMOUSLY.**

MEETING ADJOURNED FOR THE GENERAL EMPLOYEES' PENSION ADVISORY COMMITTEE AT 10:02 AM.

Respectfully submitted,

Katrina A. Laudeman

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Treasurer

Michele V. Keane

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Pension Coordinator